Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

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DA 02-2307

Released: September 17, 2002

DOMESTIC SECTION 214 APPLICATION FILED FOR ACQUISITION OF ASSETS OF COSERV, LLC BY CFC TELECOM HOLDINGS, LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 02-233

On August 1, 2002, CFC Telecom Holdings, LLC ("Tel Holdings") filed an application for authorization pursuant to section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, to acquire the telecommunications assets of CoServ, LLC (Debtor-in-Possession) d/b/a CoServ Communications ("CoServ").¹

Applicants assert that this application is subject to streamlined processing under section 63.03(b)(1)(iii) of the Commission's rules because the application requests consent to assign local exchange assets of an incumbent local exchange carrier.² CoServ provides local exchange service in the suburban Dallas-Fort Worth area.

On November 30, 2001, CoServ and its related companies filed petitions for relief under Chapter 11 of the Bankruptcy Code in the consolidated Case Number 01-48684-DML in the U.S. Bankruptcy Court for the Northern District of Texas, Forth Worth Division. CoServ filed a plan of liquidation on June 24, 2002. The proposed transaction contemplates the assignment of all telecom-related assets to Telecom Holdings, a subsidiary of CoServ's largest creditor.

Tel Holdings, a limited liability company organized under the laws of Delaware, was formed for the purpose of holding the properties tendered to it from CoServ and its related companies. Tel Holdings is wholly owned by the National Rural Utilities Cooperative Finance

On September 10, 2002, the applicants supplemented their application with information requested by Commission staff. *See* Letter from Marjorie K. Conner, Akin, Gump, Strauss, Hauer & Feld, L.L.P., to Ms. Marlene Dortch, Federal Communications Commission, WC Docket No. 02-233 (filed Sept. 10, 2002).

² 47 C.F.R. section 63.03(b)(1)(iii).

Corporation ("NRUCFC"). NRUCFC, a non-profit corporation organized under the laws of the Commonwealth of Virginia, is headquartered at 2201 Cooperative Way, Herndon, Virginia, 20171. All of the directors of NRUCFC are U.S. citizens.

Applicants assert that approval of this transfer of control will serve the public interest, convenience, and necessity by allowing increased availability and competition in the provision of domestic telecommunications services.³

GENERAL INFORMATION

The transfer of control application identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments within 14 days** and **reply comments within 21 days** of this notice. Unless otherwise notified by the Commission, an applicant is permitted to transfer control of the domestic lines or authorization to operate on the 31st day after the date of this notice. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to http://www.fcc.gov/e-file/ecfs.html. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If

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In addition to this Application, applications are being filed to assign to CFC Telecom Holdings, LLC CoServ's international section 214 authorization for global resale telecommunications services. Applications are also being filed to transfer the following 6 Local Multipoint Distribution Service licenses: (i) WPOH663 (BTA004, Ada, OK); (ii) WPOH659 (BTA059, Bryan-College Station, TX); (iii) WPOH662 (BTA329, Oklahoma City, OK); (iv) WPOH661 (BTA401, San Antonio, TX); (v) WPOH660 (BTA456, Vitoria, TX); (vi) WPOH658 (BTA101, Dallas-Forth Worth, TX). Applicants are also filing a notification of the assignment to Telecom Holdings of a receive-only earth station (E980511) licensed to CoServ.

⁴ See 47 C.F.R. § 63.03(a).

more than one docket or rulemaking number appear in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistronix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

In addition, one copy of each pleading must be sent to each of the following:

- (1) the Commission's duplicating contractor, Qualex International, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: qualexint@aol.com; facsimile: (202) 863-2898; phone: (202) 863-2893.
- (2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: twilson@fcc.gov, and
- (3) Bill Dever, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C266, Washington, D.C. 20554; e-mail: wdever@fcc.gov; and
- (4) Nandan Joshi, Office of General Counsel, 445 12th Street, S.W., Room 8-A820, Washington, D.C. 20554; e-mail: njoshi@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail qualexint@aol.com.

For further information, please contact Tracey Wilson, at (202) 418-1394 or Bill Dever, Competition Policy, Wireline Competition Bureau at (202) 418-1578.